

Message Text

CONFIDENTIAL

PAGE 01 LISBON 05523 01 OF 02 190815Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
OMB-01 TRSE-00 DHA-02 EB-07 /069 W
-----111093 190826Z /15

P R 190652Z JUL 77
FM AMEMBASSY LISBON
TO SECSTATE WASHDC PRIORITY 2248
INFO AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMCONSUL OPORTO
AMEMBASSY PARIS
AMCONSUL PONTA DELGADA
USMISSION NATO
DIA WASHDC
USCINCEUR VAIHINGEN GER

C O N F I D E N T I A L SECTION 1 OF 2 LISBON 5523

E.O. 11652: XGDS-3
TAGS: PGOV, PINT, PO
SUBJ: POLITICAL DEVELOPMENTS: DECISIVE WEEK FOR AGRARIAN
REFORM

REF: (A) LISBON 5488 (DTG 151726Z JUL 77), (B) LISBON 5433
(DTG 141701Z JUL 77)

SUMMARY: THE GOVERNMENT AND THE POLITICAL PARTIES STEPPED
UP THE PRESSURE IN PREPARATION FOR THE LEGISLATIVE ASSEMBLY
DEBATE AND VOTE ON THE GOVERNMENT'S AGRARIAN REFORM PROPOSAL.
THE CDS AND PCP HARDENED THEIR OPPOSITION; THE PSD PUSHED
FOR ACROSS-THE-BOARD CONCESSIONS BY THE SOCIALISTS. THE PS
DEMONSTRATED NEW FLEXIBILITY, BUT WILL FACE SOME HARD
BARGAINING TO GET ITS LEGISLATIVE PROGRAM THROUGH.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 05523 01 OF 02 190815Z

MARIO SOARES EXPRESSED CONFIDENCE THAT HE COULD RIDE OUT
THE CRISIS WITH THE PRESIDENT'S BACKING. END SUMMARY.

1. SOARES CONCERNED, BUT CONFIDENT: MARIO SOARES TOLD
THE AMBASSADOR JULY 18 THAT THE PS HAD JUST REACHED
AN AGREEMENT WITH THE PSD ON THE AGRARIAN REFORM PROPOSAL.
THE AGREEMENT COVERED AGRARIAN LEGISLATION AND WAS NOT

THE OVERALL AGREEMENT SOUGHT BY THE PSD. SOARES SAID THE ASSEMBLY SITUATION WAS EXPLOSIVE, HOWEVER, AND COULD PROVOKE THE FALL OF THE GOVERNMENT. SA CARNEIRO WAS DIFFICULT TO WORK WITH AND WAS OBSESSED WITH BECOMING PRIME MINISTER, BUT A LISBON-BASED PSD GROUP HAD BEEN COOPERATIVE. THE MOST SOARES HOPED FOR FROM THE CDS ON AGRARIAN REFORM WAS ABSTENTION. THE CDS LEADERSHIP WAS UNDER SEVERE PRESSURE FROM THE RIGHT. SOARES SAID THAT THE AGRARIAN REFORM PROPOSAL WAS THE BIGGEST BLOW TO THE COMMUNISTS YET; THE PCP WAS ON THE ROPES. IF THE PSD AND CDS BLOCKED IT THEY WOULD THEMSELVES SUFFER SEVERE CONSEQUENCES. SOARES TOLD PRESIDENT EANES JULY 15 THAT EANES BORE SOME RESPONSIBILITY FOR THE LEGISLATIVE CRISIS BECAUSE OF THE PRESIDENT'S APRIL 25 SPEECH. SOARES SAID EANES AND THE ARMED FORCES WERE FULLY BEHIND THE GOVERNMENT. THE PRIME MINISTER SAID EANES CALLED IN THE PSD AND CDS LEADERS JULY 18 "TO BOX THEIR EARS" ON THE ASSEMBLY VOTE. OVERALL, SOARES THOUGHT HE COULD RIDE OUT THE PRESENT CRISIS WITH THE PRESIDENT'S BACKING.

2. PARTIES PREPARE FOR BARGAINING: A WEEKEND OF RALLIES, MEETINGS, AND SPEECHES KICKED OFF THE DECISIVE WEEK OF LEGISLATIVE ASSEMBLY DEBATE AND VOTE ON THE GOVERNMENT'S AGRARIAN REFORM PROPOSAL. AMONG THE KEY EVENTS WERE:

-- BARRETO ON THE OFFENSIVE: AGRICULTURE MINISTER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 05523 01 OF 02 190815Z

ANTONIO BARRETO GAVE EXTENSIVE INTERVIEWS IN THE JULY 16 PRESS. HE SAID HE WOULD ACCEPT MINOR CHANGES IN THE LAW; ATTACKED THE COMMUNISTS FOR ATTEMPTING TO TOPPLE THE GOVERNMENT; EXPRESSED CONFIDENCE THAT THE LAW WOULD BE APPROVED; AND POINTED TO PRESIDENT EANES'S CONFIDENCE IN HIS AGRARIAN POLICY. TO UNDERLINE THAT SUPPORT, BARRETO AND PRIME MINISTER SOARES MET SEPARATELY WITH EANES UPON THE PRESIDENT'S RETURN FROM HIS TRIP TO THE RURAL NORTHEAST.

-- SOCIALISTS DIALOGUE, BUT NO ALLIANCES: THE SOCIALIST PARTY LEADERSHIP ANNOUNCED FOLLOWING A JULY 16 MEETING THAT THE PS WILL CONTINUE ITS DIALOGUE WITH ALL THE PARTIES IN THE LEGISLATIVE ASSEMBLY, BUT WILL NOT SURRENDER TO PRESSURES. THE PS REAFFIRMED ITS FAITH IN GOVERNING WITHOUT ALLIANCES. THE SOCIALIST LEADERSHIP CONDEMNED LOPES CARDOSO'S WORKERS BROTHERHOOD AS ANTI-PS AND ASKED THE PS DISCIPLINE COMMISSION TO RULE ON THE COMPATIBILITY OF CONCURRENT MEMBERSHIP IN THE WORKERS BROTHERHOOD AND THE PS.

-- PSD VOTE DEPENDS ON CHANGES IN LAW: PSD
PRESIDENT SA CARNEIRO IN WEEKEND MEETINGS CALLED THE GOVERNMENT'S AGRARIAN REFORM PROPOSAL A POSITIVE

STEP BUT SAID THAT THE PSD VOTE WOULD DEPEND ON
SEVERAL ALTERATIONS IN THE CURRENT TEXT. PSD-LEANING
WEEKLY "EXPRESSO" REPORTED JULY 16 THAT THE SOCIAL
DEMOCRATS WOULD ONLY SUPPORT THE AGRARIAN REFORM LAW IF
THE PS ACCEPTED AN OVERALL AGREEMENT ON LOCAL GOVERN-
MENT, THE MEDIA, GOVERNMENT JOBS, AND REGULAR CONSULTATIONS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LISBON 05523 02 OF 02 190822Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
OMB-01 TRSE-00 DHA-02 EB-07 /069 W
-----111159 190827Z /15

P R 190652Z JUL 77
FM AMEMBASSY LISBON
TO SECSTATE WASHDC PRIORITY 2249
INFO AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMCONSUL OPORTO
AMEMBASSY PARIS
AMCONSUL PONTA DELGADA
USMISSION NATO
DIA WASHDC
USCINCEUR VAIHINGEN GER

C O N F I D E N T I A L SECTION 2 OF 2 LISBON 5523

-- CDS ADOPTS SYSTEMATIC OPPOSITION: THE CDS NATIONAL
COUNCIL MEETING JULY 16 IN OPORTO DECIDED THAT THE CENTER
DEMOCRATS WOULD ONLY COOPERATE WITH THE GOVERNMENT
UNDER AN OVERALL POLITICAL AGREEMENT (REF A). CDS VICE
PRESIDENT AMARO DO COSTA SAID THE CDS COULD NOW ENTER
INTO SYSTEMATIC OPPOSITION TO THE GOVERNMENT AND THAT
THE GOVERNMENT MIGHT FALL WITHIN TWO WEEKS. CDS PRESIDENT
FREITAS DO AMARAL SAID THE BEST ALTERNATIVE GOVERNMENT
WOULD BE A PS/PSD/CDS COALITION; THE NEXT BEST WOULD
BE A GOVERNMENT CHOSEN FROM THOSE THREE PARTIES WITH
THE FULL CONFIDENCE OF THE PRESIDENT. AMARAL RULED OUT
A PSD/CDS MINORITY GOVERNMENT.

-- PCP FIGHT UNTIL THE END: THE PCP STAGED RALLIES
THROUGHOUT THE COUNTRY IN OPPOSITION TO THE

GOVERNMENT'S AGRARIAN REFORM LAW. SECRETARY-GENERAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 05523 02 OF 02 190822Z

ALVARO CUNHAL SAID THE GOVERNMENT PROPOSAL SOUGHT TO DESTROY AGRARIAN REFORM. HE PROMISED A FIGHT TO THE END TO PREVENT PASSAGE OF THE LAW OR TO FORCE SUBSTANTIAL AMENDMENTS. CUNHAL SAID THAT DUE TO THE GRAVITY OF THE SITUATION IT MIGHT BE NECESSARY TO "NEGOTIATE WITH THE DEVIL." IF THE AGRARIAN REFORM PROPOSAL WERE APPROVED CUNHAL SAID THAT THERE WAS NO LONGER ANY SENSE IN MAINTAINING THE GOVERNMENT.

3. HUMAN RIGHTS RESIGNATION: ANGELO ALMEIDA RIBEIRO RESIGNED THE PRESIDENCY OF THE PORTUGUESE LEAGUE FOR THE RIGHTS OF MAN JULY 13 TO PROTEST THE POLITICAL MANIPULATION OF THE LEAGUE BY ITS COMMUNIST MEMBERS. RIBEIRO SAID THAT THE LEAGUE SHOULD BE FREE TO CRITICIZE VIOLATIONS OF HUMAN RIGHTS IN ANGOLA AND THE SOVIET UNION AS WELL AS IN SOUTH AMERICA. THE PROMINENT LAWYER WAS ANGERED THIS MONTH BY THE LEAGUE'S DECISION TO WITHDRAW FROM SPONSORSHIP OF A HUMAN RIGHTS DINNER HONORING MARIO SOARES, BUT RIBEIRO HAD TOLD THE AMBASSADOR SEVERAL MONTHS AGO THAT HE WAS CONCERNED OVER GROWING COMMUNIST DOMINATION OF THE LEAGUE.

4. COMMENT: PRESSURES ON THE GOVERNMENT HAVE ESCALATED TO A NEW LEVEL IN PREPARATION FOR A WEEK OF HARD BARGAINING ON AGRARIAN REFORM LEGISLATION. THE SOCIALISTS HAVE SHOWN NEW FLEXIBILITY, PARTICIPATING IN PS/PSD WORKING GROUPS ON POLITICAL, ECONOMIC, AND AGRARIAN AFFAIRS. THE PS, HOWEVER, WANTS TO DELAY A GOVERNMENT REORGANIZATION UNTIL AUTUMN (REF B).
CARLUCCI

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLITICAL PARTIES, LEGISLATIVE BILLS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LISBON05523
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X3
Errors: N/A
Expiration:
Film Number: D770268-0047
Format: TEL
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770743/aaaablfl.tel
Line Count: 207
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b26b9a67-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 13-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1820493
Secure: OPEN
Status: NATIVE
Subject: POLITICAL DEVELOPMENTS: DECISIVE WEEK FOR AGRARIAN
TAGS: PGOV, PINT, PO
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b26b9a67-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009